

**Commission Staff Summary of  
Recent Commission Actions Concerning Western Markets**

**NOVEMBER 2000**

- November 1: San Diego Gas & Elec. Co. (Complainant) v. Sellers of Energy and Ancillary Services into Markets Operated by CalISO and CalPX, 93 FERC ¶ 61,121 (order proposing remedies for California crisis on complaint of SDG&E)("November 1 Order")
- November 9: Public Conference re FERC-proposed remedies held in Washington (see 93 FERC ¶ 61,122)
- November 22: California Power Exchange Corp., 93 FERC ¶ 61,199 (order accepting amendments to streamline and clarify several provisions of the PX tariff)
- November 22: Pacific Gas & Elec. Co., 93 FERC ¶ 61,207 (order suspending PG&E transmission rate increase proposal)

**DECEMBER 2000**

- December 8:  
  
San Diego Gas & Elec. Co., 93 FERC ¶ 61,238 (order waiving operating efficiency and other regulatory requirements governing "QFs" and other small power producers to boost power output in California)  
  
California ISO Corp., 93 FERC ¶ 61,239 (order authorizing ISO tariff amendments to: (1) convert existing \$250/MWh hard cap on bids in the real-time market into a \$250/MWh breakpoint; (2) impose a penalty on generators who fail to comply with an ISO emergency order to provide power; and (3) assess costs against parties that underschedule demand or fail to deliver power).
- December 13: California Power Exchange Corp., 93 FERC ¶ 61,260 (order accepting settlement re PX dispute resolution procedures)
- December 15: San Diego Gas & Elec. Co. (Complainant) v. Sellers of Energy and Ancillary Services into Markets Operated by CalISO and CalPX, 93 FERC ¶ 61,294 (Order adopting remedial measures to reduce reliance on volatile spot markets, including: (1) eliminating requirement that investor-owned utilities sell all their generation into the PX markets; (2) requiring 95 percent of demand to be scheduled in advance and establishing a benchmark for long-term contracts; and (3) imposing an interim \$150/MWh soft cap or "breakpoint" on spot markets pending development of longer term price mitigation plan )("December 15 Order")

- December 22: Commission issues data request in response to December 7 SDG&E complaint re natural gas prices
- December 29:

Southern California Edison Co., 93 FERC ¶ 61,320 (order analyzing and accepting SoCal Edison rates for scheduling and dispatching)

Pacific Gas & Elec. Co., 93 FERC ¶ 61,322 (order rejecting PG&E filing regarding its scheduling on the ISO)

San Diego Gas & Elec. Co., 93 FERC ¶ 61,333 (order accepting SDG&E rate filing re so-called "RMR" generating units—units that must run to assure system reliability)

Southern California Edison Co., 93 FERC ¶ 61,334 (order accepting RMR tariff for SoCal Edison)

California ISO Corp., 93 FERC ¶ 61,337 (order accepting ISO grid mgmt charges)

## **JANUARY 2001**

- January 23: FERC staff conducts technical conference with industry representatives re prospective spot market monitoring and mitigation plan
- January 29: San Diego Gas & Elec. Co., 94 FERC ¶ 61,085 (order finding Cal PX in violation of December 15, 2000 order for failing to implement \$150/MWh breakpoint)

## **FEBRUARY 2001**

- February 7: Pacific Gas & Elec. Co., 94 FERC ¶ 61,093 (order accepting settlement re PG&E transmission rates)
- February 14: California ISO Corp., 94 FERC ¶ 61,132 (order rejecting ISO and PX tariff amendments relaxing creditworthiness standards for PG&E and SoCal Edison as applied to transactions affecting third-party suppliers)
- February 15: FERC staff meets with PX regarding requirements for implementing \$150/MWh breakpoint
- February 21:

California ISO Corp., 94 FERC ¶ 61,141 (order accepting amended Transmission Control Agreement among ISO and transmission owners and addressing

complaints by City of Vernon regarding conditions of becoming participating transmission owner)

California ISO Corp., 94 FERC ¶ 61,148 (order denying rehearing of October 2000 order relating to ISO's Transmission Access Charge)

Pacific Gas & Elec. Co., 94 FERC ¶ 61,154 (order denying intervention and rehearing of January 12 order authorizing PG&E Corporation intra-corporate reorganization)

- February 23: San Diego Gas & Elec. Co., 94 FERC ¶ 61,200 (order on rehearing of December 29 order re reassignment of RMR costs)
- February 28: Former FERC Chairman testifies before the House Energy and Commerce Subcommittee on Energy and Air Quality concerning rising natural gas prices, the squeeze on natural gas supplies, and the role of natural gas in developing a national energy policy.

## **MARCH 2001**

- March 9:

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by CalISO and CalPX, 94 FERC ¶ 61,245 (Order directing refunds or further justification for charges)

"Staff Recommendation on Prospective Market Monitoring and Mitigation for the California Wholesale Electric Power Market" (Docket Nos. EL 00-95-012, *et al.*)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by CalISO and CalPX, 94 FERC ¶ 61,243 (Order dismissing rehearing request of 1/8/01 order)

- March 14:

Order Removing Obstacles to Increased Electric Generation and Natural Gas Supply in the Western United States and Requesting Comments on Further Actions to Increase Energy Supply and Decrease Energy Consumption, (Docket No. EL 01-47-000) (order includes: (1) requirement that ISO and western transmission owners file list of grid enhancements that can be implemented in short term; (2) extension of waiver of QF regulations through December 31, 2001; (3) authorization for western businesses with back-up generators and customers who reduce their consumption to sell wholesale power at market-based rates; and (4) solicitation of comment on additional proposals)

Cities of Anaheim, et al. v. ISO, 94 FERC ¶ 61,268 (order dismissing in part and granting in part complaint alleging that certain cities are being charged inappropriate costs when ISO allocates the cost of power obtained through emergency orders to generators)

AES Southland, Inc., Williams Energy Trading & Marketing Co., 94 FERC ¶ 61,248 (order directing parties to explain why they should not be found in violation of the Federal Power Act for engaging in actions that inflated electric power prices)

- March 15: Chairman testifies before the Senate Committee on Energy and Natural Resources
- March 16: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by CalISO and CalPX, 94 FERC ¶ 62,245 (notice re proxy market clearing price and refunds for February transactions)
- March 20: The Commissioners testify before the House Committee on Energy and Commerce, Subcommittee on Energy and Air Quality
- March 28: CPUC v. El Paso Natural Gas Co., et al., 94 FERC ¶ 61,338 (order dismissing portion of complaint alleging affiliate abuse but ordering public hearing on whether El Paso exercised market power to drive up natural gas prices)

#### **APRIL 2001**

- April 6:

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 95 FERC ¶ 61,021 (Order dismissing rehearing, accepting compliance filing, and directing the recalculation of lower wholesale rates)

Pacific Gas and Electric Co., et al., 95 FERC ¶ 61,020 (Order on complaints concerning use of chargebacks and liquidation of collateral)

Kern River Gas Transmission Co., 95 FERC ¶ 61,022 (Order issuing certificate for facilities to transport natural gas from Wyoming to California)

California Independent System Operator Corporation, 95 FERC ¶ 61,024 (Order granting motion of generators to compel ISO to comply with creditworthiness requirements)

California Independent System Operator Corporation, 95 FERC ¶ 61,026 (Order granting clarification in part and denying rehearing of order on PX tariff creditworthiness amendment)

Southern California Edison Co and Pacific Gas and Electric Co, 95 FERC ¶ 61,025 (Order deferring action on request for suspension of underscheduling penalty and issuing request for information)

- April 10: Commission convenes Western Energy Issues Conference in Boise, Idaho
- April 10-12: The Chairman and General Counsel testify before the House Committee on Government Reform regarding wholesale electricity prices in California and the West
- April 16: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX (unpublished notice of proxy price for March wholesale transactions in Docket No. EL00-95-028, et al.)
- April 18: Public Utilities Commission of the State of California v. El Paso Natural Gas Co., et al., 95 FERC ¶ 61,089 (Order on rehearing regarding allegations of affiliate abuse and market power by gas pipeline)
- April 26:  
  
San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 95 FERC ¶ 61,115 (Order establishing prospective mitigation and monitoring plan for the California wholesale electric markets and establishing an investigation of public utility rates in wholesale Western energy markets)  
  
Avista Corporation, et al., 95 FERC ¶ 61,114 (Order granting, with modification, RTO west petition for declaratory order and granting Transconnect petition for declaratory order)
- April 27:  
  
Commission notices initiation of investigation of rates in the WSCC (Docket No. EL01-68-000)
- April 30: AES Southland, Inc. and Williams Energy Marketing & Trading Co., 95 FERC ¶ 61,167 (Order approving stipulation and consent agreement with respect to issues raised in the 3/14 show cause order)

## **MAY 2001**

- May 1:

The Commissioners testify before the House Subcommittee on Energy and Air Quality to discuss the proposed Electricity Emergency Relief Act

The Director of Markets, Tariffs and Rates issues a letter to the ISO, PG&E, SDG&E, and SoCal Edison offering staff's assistance to complete RTO filings

- May 2: The Commission institutes a proceeding under FPA § 210(d) in Docket No. EL01-72-000 to consider whether it may need to order interconnection or transmission services to alleviate generation capacity shortages in California
- May 3: The Commissioners submit a written statement at the Senate Committee on Energy and Natural Resources oversight hearing called to review the Commission's April 26, 2001 mitigation order.
- May 7: El Paso Natural Gas Co., 95 FERC ¶ 61,176 (Order issuing a certificate permitting increased pipeline capacity to California by converting an oil pipeline to gas service)
- May 9: Director of OMTR issues a letter to Southern California Air Quality Management District requesting information on its NOx Emission Program
- May 14:

Cities of Anaheim, et al. v. Cal ISO, 95 FERC ¶ 61,197 (Order on rehearing concerning complaint about OOM costs)

Edison Mission Energy, 95 FERC ¶ 61,198 (Order approving corporate reorganization)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 95 FERC ¶ 62,125 (notice of proxy price for April wholesale transactions in Docket No. EL00-95-033, et al.)

- May 16:

Removing Obstacles To Increased Electric Generation And Natural Gas Supply In The Western United States, 95 FERC ¶ 61,225 (Further order on removing obstacles to increased energy supply and reduced demand in the Western United States and dismissing petition for rehearing)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 95 FERC ¶ 61,226 (Order granting motions for emergency relief by QFs in part and establishing further procedures)

California Independent System Operator Corporation, 95 FERC ¶ 61,199 (Order accepting in part and rejecting in part ISO Tariff Amendment No. 38)

- May 18: Reporting of Natural Gas Sales to the California Market, 95 FERC ¶ 61,262 (Order proposing reporting requirements on natural gas sales to California markets and requesting comments)
- May 22: San Diego Gas & Electric Co., et al., 95 FERC ¶ 61,264 (Order requesting comments on whether the Commission should reimpose the maximum rate ceiling on short-term capacity release transactions into California)
- May 24: Commission convenes a technical conference regarding pipeline capacity into and adequacy within California (Docket No. PL01-4-000)
- May 25: San Diego Gas & Electric Co., et al., 95 FERC ¶ 61,275 (Order providing clarification and preliminary guidance on implementation of mitigation and monitoring plan)
- May 31:

Strategic Energy LLC v. Cal ISO, 95 FERC ¶ 61,312 (Order rejecting as premature complaint that ISO overcharged for power being bought out-of-market)

CPUC v. El Paso Natural Gas Company, et al., 95 FERC ¶ 63,020 (Chief Judge's Report to the Commission, request to waive initial decision date and request for guidance)

## **JUNE 2001**

- June 4: Cogeneration Council of California, et al. (Notice of intent not to act re two petitions for enforcement filed pursuant to PURPA § 210(h) in Docket Nos. EL01-64-000 and EL01-67-000)
- June 11: CPUC v. El Paso Natural Gas Co., et al., 95 FERC ¶ 61,368 (Order granting in part rehearing of 3/28/01 order and setting for hearing the allegations of affiliate abuse raised by complainants)
- June 13:

California Independent System Operator Corporation, 95 FERC ¶ 61,391 (Order denying rehearing of order granting motion of generators to compel ISO to comply with creditworthiness requirements)

California Independent System Operator Corporation, 95 FERC ¶ 61,390 (Order accepting ISO tariff amendments to conform with FERC formatting requirements)

- June 15: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al. (unpublished notice of proxy price for May wholesale transactions in Docket No. EL00-95-037, et al.)

- June 19:

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 95 FERC ¶ 61,418 (Order on rehearing of monitoring and mitigation plan for the California wholesale electric markets, establishing West-wide mitigation, and establishing a settlement conference)

The Commissioners and the General Counsel testify before the Senate Committee on Energy and Natural Resources concerning the June 19, 2001 West-wide mitigation order.

- June 20: The Commissioners testify before the Senate Committee on Governmental Affairs on the role of the Commission in its restructuring of the energy industries and its implications for other states and regions.
- June 22: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 95 FERC ¶ 61,425 (Order clarifying settlement conference procedures established in June 19 order)
- June 25 - July 9: Settlement conference convened regarding refunds/offsets of past accounts, etc.
- June 26: Calpine Corporation, et al., 95 FERC ¶ 61,430 (notice of intent not to act re two petitions for enforcement filed pursuant to PURPA § 210(h) in Docket Nos. EL01-71-000 and EL01-77-000)

## **JULY 2001**

- July 6: Cities of Anaheim, Azusa, Banning, Colton, and Riverside, California v. California ISO, et al., 96 FERC ¶ 61,024 (Order establishing settlement proceedings in Docket Nos. EL00-111-000 and EL01-84-000)
- July 11: Universal Studios, Inc. v. Southern California Edison, 96 FERC ¶ 61,043 (Order dismissing complaint re penalties Universal was charged for failing to interrupt its service under its interruptible service contract)
- July 12:

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 63,007 (Report and



Recommendation of Chief ALJ and Certification of the Record following settlement proceeding)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 61,051 (Order denying rehearing of 5/25/01 order which clarified 4/26/01 price mitigation order)

- July 16: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 61,088 (Order deferring action on rehearing requests of the 5/16/01 order concerning QF issues and on the issues that arise under FPA § 210)

- July 25:

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 61,120 (Order establishing the scope of and methodology for calculating refunds for past periods in California spot markets, initiating evidentiary hearing, and instituting preliminary evidentiary hearing for Pacific Northwest)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 61,117 (Order granting Mirant's emergency motion for clarification of the must-offer requirement in the 4/26 and 6/19 price mitigation orders)

Reporting of Natural Gas Sales to the California Market, 96 FERC ¶ 61,119 (Order imposing reporting requirements on natural gas sales to California markets)

## **AUGUST 2001**

- August 2: The General Counsel and the OMTR Deputy Director testify before the House Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs concerning market monitoring.
- August 7: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al. (Order of Chief Judge Adopting Protective Order)
- August 10: Automated Power Exchange, Inc., 96 FERC ¶ 61,199 (Letter Order re APX's role in the refund hearing)
- August 13: CALifornians for Renewable Energy, 96 FERC ¶ 61,203 (Letter Order re intervention of CARE in EL00-95 proceeding)
- August 14: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 63,021

(Order and Report to the Commission granting late interventions and adopting trial schedule)

- August 29: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 63,030 (Chief Judge's Report to the Commission and order convening prehearing conference)

## **SEPTEMBER 2001**

- September 6: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 63,035 (Judge's Report to the Commission adopting a revised trial schedule)
- September 7: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 96 FERC ¶ 61,254 (Order rejects wholesalers' cost justifications for sales in excess of the mitigated price)
- September 12: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 61,267 (Order rejects request for rehearing concerning creditworthiness)
- September 24: Puget Sound Energy, Inc. v. All Jurisdictional Sellers of Energy and/or Capacity Markets into Pacific Northwest, 96 FERC ¶ 63,044 (Presiding Judge's Recommendations and proposed findings of fact)
- September 26: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 96 FERC ¶ 63,048 (Judge's Report to the Commission adopting a revised trial schedule)
- September 27: Western Systems Coordinating Council, et al., 96 FERC ¶ 61,348 (order granting request to transfer certain functions to Western Electricity Coordinating Council)
- September 28: Notice of Technical Conference issued concerning the Western states electric and gas infrastructure

## **OCTOBER 2001**

- October 5: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 97 FERC ¶ 61,012 (Order rejecting wholesalers' cost justifications for sales in excess of the mitigated price)
- October 9:  
  
CPUC v. El Paso Natural Gas Co., et al., 97 FERC ¶ 63,004 (Initial Decision of Chief Judge finding no evidence of the exercise of market power)

Issuance of solicitation for audit proposals concerning operational audit of Cal ISO (Docket No. PA02-1-000)

- October 11: Removing Obstacles to Increased Electric Generation and Natural Gas Supply in the Western United States, 97 FERC ¶ 61,024 (order on rehearing of 7/27/01 order)
- October 12: Notice of Technical Conference issued concerning West-wide price mitigation for the winter season
- October 16: The Chairman testifies before the House Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs concerning natural gas capacity, infrastructure constraints, and the promotion of healthy natural gas markets, especially in California.
- October 17: Issuance of letter order accepting for filing Duke Energy Oakland's revised reliability-must run service agreements (Docket No. ER01-3034-000)
- October 18: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 97 FERC ¶ 61,061 (Order clarifies earlier order concerning wholesalers' cost justifications for sales in excess of the mitigated price)
- October 24: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 97 FERC ¶ 61,066 (Order addresses the Cal ISO's outage coordination procedures)
- October 26: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, et al., 97 FERC ¶ 63,011 (Judge's Report to the Commission advising of the impact of an offer of settlement on refunds)
- October 29: Technical Conference held concerning West-wide price mitigation for the winter season (EL01-68-000)

## **NOVEMBER 2001**

- November 2: Technical Conference held in Seattle concerning Western states' electric and gas infrastructure (PL01-7-000)
- November 7: California Independent System Operator Corporation, 97 FERC ¶ 61,151 (Order directing the ISO to comply with the Commission's past creditworthiness orders and rejecting Amendment No. 40)

- November 16: CPUC v. El Paso Natural Gas Co., et al., 97 FERC ¶ 61,191 (order granting motion to compel return of protected material and requiring Southern California Edison to show cause why protective order has not been violated)
- November 20: Reliant Energy Power Generation, Inc., 97 FERC ¶ 61,215 (Order directs the ISO to operate in accordance with the terms of its Tariff to ensure that all market participants are treated in a non-discriminatory manner)

## **DECEMBER 2001**

- December 10: Letter issued requesting views of Northwest state commissioners on RTOs
- December 19:

Investigation of Wholesale Rates of Public Utility Sellers of Energy and Ancillary Services in the Western Systems Coordinating Council, 97 FERC ¶ 61,294 (Order requires the ISO to temporarily recalculate the price mitigation for spot market transactions under certain conditions)

San Diego Gas & Electric Co., et al., 97 FERC ¶ 61,275 (Order generally reaffirms key earlier decisions on pricing and price mitigation measures and addressed a number of wide-ranging issues related to California and the Western energy markets)

San Diego Gas & Electric Company v. Sellers of Energy and Ancillary Services, et al., 97 FERC ¶ 61,293 (Order accepts in part and rejects in part three ISO compliance filings submitted in 2001 concerning the minimum load costs that generators can recover in complying with the must-offer requirement; the declaration of system emergencies; elimination of the penalty for failure to report a forced outage or to respond to a dispatch request; and the requirement to submit cost justification only in cases where bids above the mitigated market clearing price are accepted)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 97 FERC ¶ 61,290 (Order rejects wholesalers' cost justifications for sales in excess of the mitigated price)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX et al., 97 FERC ¶ 61,301 (Judge's Report concerning the scope of the evidentiary hearing)

Mirant Delta LLC and Mirant Potrero LLC, 97 FERC ¶ 61,284 (order conditionally accepting and suspending revised RMR agreements)

Duke Energy Oakland LLC, 97 FERC ¶ 61,283 (order conditionally accepting and suspending revised RMR agreements)

Pacific Gas and Electric Co., 97 FERC ¶ 61,291 (order conditionally accepting and suspending revised RMR agreements)

Geysers Power Company, 97 FERC ¶ 61,295 (order conditionally accepting and suspending revised RMR agreements)

Geysers Power Company, 97 FERC ¶ 61,299 (order accepting and suspending and setting for hearing and ADR revised RMR agreements)

- December 27: CPUC v. El Paso Natural Gas Co., et al., 97 FERC ¶ 61,380 (order remanding proceeding for limited supplemental hearing regarding available capacity)

## **JANUARY 2002**

- January 4: Ramco, Inc., 98 FERC ¶ 61,004 (Letter order rejects RAMCO's cost justification filing as unsupported)
- January 9: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 98 FERC ¶ 63,003 (Judge's Report to the Commission adopting a revised trial schedule)
- January 11: Williams Energy Marketing & Trading, 98 FERC ¶ 61,013 (order conditionally accepting and suspending revised RMR agreement)
- January 16: Geysers Power Company, 98 FERC ¶ 61,031 (order conditionally accepting and suspending revised RMR agreement)
- January 25:

Issuance of Operational Audit Report of Cal ISO (Docket No. PA20-1-000)

California Independent System Operator Corp., 98 FERC ¶ 61,047 (order establishing schedule for submission of pleadings regarding arbitrator's award)

- January 29: The Chairman testifies before the Senate Committee on Energy and Natural Resources concerning Enron.
- January 30:

Ramco, Inc., 98 FERC ¶ 61,057 (Letter order rejects RAMCO's cost justification filing as unsupported)

Dynegy Power Marketing, Inc., 98 FERC ¶ 61,074 (order granting complaint in part and dismissing in part)

- January 31:

California Power Exchange Corp., 98 FERC ¶ 61,097 (order granting petition for declaratory order in part)

## **FEBRUARY 2002**

- February 1:

Geysers Power Company, 98 FERC ¶ 61,114 (order granting rehearing of 10/17/01 order)

Duke Energy South Bay, 98 FERC ¶ 61,110 (order conditionally accepting and suspending revised RMR agreement)

- February 13:

Fact-Finding Investigation of Potential Manipulation of Electric and Natural Gas Prices, 98 FERC ¶ 61,165 (order directing staff investigation)

San Diego Gas & Electric Co., 98 FERC ¶ 61,128 (letter order accepting for filing proposed revenue requirement)

Pacific Gas and Electric Co., 98 FERC ¶ 61,132 (letter order accepting for filing revised RMR agreement)

- February 13: The Chairman testifies before the House Energy and Commerce Subcommittee on Energy and Air Quality concerning the effect of the Enron bankruptcy on energy markets.
- February 15: Staff issues data request issued to Enron regarding its power supply contracts
- February 22: The Chairman testifies before the House Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs concerning electricity market design in California.
- February 26: California Independent System Operator Corp., 98 FERC ¶ 61,187 (order accepting in part and rejecting in part Tariff Amendment No. 41)
- February 27:

CPUC v. El Paso Natural Gas Co., et al., 98 FERC ¶ 61,210 (order denying rehearing of 12/27/01 order)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX et al., 98 FERC ¶ 61,202 (order accepting compliance filing re outage coordination and directing further compliance filing)

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX et al., 98 FERC ¶ 61,204 (order denying rehearing of 10/23/01 outage coordination order)

## **MARCH 2002**

- March 1: NEO California Power LLC v. Cal ISO, 98 FERC ¶ 61,228 (order directing Cal ISO to file status report on payments)
- March 5: Staff issues letter directing all sellers to report on transactions in WSCC for years 2000 and 2001
- March 7: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 98 FERC ¶ 61,254 (Order suspends implementation of the Cal ISO re-running its past market clearing prices)
- March 15: Staff issues subpoena duces tecum to Enron directing the production of documents
- March 27:

San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX, 98 FERC ¶ 61,335 (order clarifying creditworthiness requirement, denying rehearing in part, and rejecting compliance filings)

San Diego Gas & Electric Company, 98 FERC ¶ 61,332 (order granting in part and denying in part petition for declaratory order)

California Independent System Operator Corp. 98 FERC 61,327 (order accepting in part and rejecting in part tariff amendment and dismissing complaint)

- March 29: Notice of Technical Conference issued regarding meeting convened by staff to facilitate discussion between the Cal ISO, market participants, state agencies and others on development of a revised market design for the Cal ISO

## **APRIL 2002**

- April 1: San Diego Gas & Elec. Co. v. Sellers of Energy and Ancillary Services into Markets Operated by Cal ISO and CalPX et al., 99 FERC ¶ 61,008 (order denying rehearing of 12/19/01 cost justification order)
- April 4-5: Technical Conference held in San Francisco concerning the development of a revised market design for the Cal ISO
- April 16:  
  
Public conference to take comments on staff's recommended basis for assigning capacity and receipt points on El Paso system held in Washington, DC  
  
Nevada Power Company and Sierra Pacific Power Company v. Duke Energy Trading and Marketing, et al., 99 FERC ¶ 61,047 (order setting for hearing complaints filed by the Nevada Companies, Southern California Water Company and PUD No. 1 Snohomish County, Washington alleging excessive long-term power contracts)
- April 25: Public Utilities Commission of the State of California v. Sellers of Long Term Contracts to the California Dep't of Water Resources, et al., 99 FERC ¶ 61,087 (order setting complaints for hearing)
- April 26: Geysers Power Company, 98 FERC ¶ 61,114 (order denying rehearing of 1/16/01 order)

## **MAY 2002**

- May 9-10: Technical Conference held in San Francisco concerning the development of a revised market design for the Cal ISO

## **STAFF INVESTIGATIONS**

The Commission's staff has completed or initiated a number of public investigations, audits, and studies of matters relating to events in California, including the following:

- An audit of generation outages (report issued February 2, 2001)
- An analysis of the effect of a western region-wide price cap (released in early February 2001)
- An analysis of causes of high prices in Pacific Northwest and California (released in early February 2001)
- January 31, 2002: Commission Staff Report to Congress on the Economic Impacts on Western Utilities and Ratepayers of Price Caps on Spot Market Sales, (Report



concludes that a wide variety of factors other than the price cap, such as conservation efforts, a downturn in the regional economy, and adequate supply given low demand, affected sales prices in both the spot and non-spot markets).

- Ongoing receipt and review of outage incident reports from generators within 24 hours of the beginning or conclusion of a unit's outage.
- Ongoing study of whether there have been any changes in operational patterns of generation plants owned by major independent marketers from patterns observed when they were owned by IOUs.

## **Court Cases (Decided and Pending) Concerning the Commission's Restructuring, Monitoring, and Mitigation of Western Energy Markets**

### **Decided**

*In re: California Power Exchange, Corp., et al.*, 9th Cir. Nos. 01-70031, et al., 4/11/01, 245 F.3d 1110 (denying petitions for writ of mandamus to stay 12/15/01 mitigation order and to direct retroactive refunds).

*In re: John L. Burton, et al. v. FERC*, 9th Cir. No. 01-70812, 5/29/01, unpublished (denying petition for writ of mandamus directing price caps and return to cost-based pricing).

*In re: Southern California Edison Co.*, D.C. Cir. No. 00-1543, 1/5/01, unpublished (denying petition for writ of mandamus directing cost-based pricing).

*Western Power Trading Forum and Coalition of New Market Participants v. FERC*, D.C. Cir. No. 99-1532, 4/10/01, 245 F.3d 798 (dismissing challenge to Commission's approval of governance over the California ISO).

*Public Utilities Commission of the State of California v. FERC*, D.C. Cir. No. 00-1203, 7/6/01, 254 F.3d 250 (denying challenge to Commission's allowing the California ISO to pass through the costs of reliability must-run contracts in its rates).

*El Segundo Power, L.L.C. v. FERC*, D.C. Cir. No. 00-1093, 5/22/01, unpublished (denying challenge to Commission's refusal to order the California ISO to refund to generators the differential between the capped price and the bid price for ancillary services).

*California Municipal Utilities Assoc., et al. v. FERC*, D.C. Cir. Nos. 01-1156, et al., 7/31/01, unpublished (dismissing challenge to 12/15/01 order on remedies for the California wholesale electricity market).

### **Pending**

*El Paso Merchant Energy and El Paso Natural Gas Co. v. FERC*, D.C. Cir. Nos. 01-1286, 01-1287, 01-1443, 01-1444, 02-1140, 02-1142 (challenge to orders setting for hearing issues in CPUC complaint regarding possible affiliate abuse, anticompetitive conduct, and withholding of pipeline capacity into California gas market).

*Amoco Production Co., et al. v. FERC*, D.C. Cir. Nos. 01-1523, 01-1524 (challenge to orders certificating expansion of pipeline to allow for additional transportation capacity into California).

*Cal. Dept. Of Water Resources v. FERC*, D.C. Cir. No. 01-1234 (challenge to requirement that DWR, if it becomes a member of the California ISO and assigns its transmission contracts to the ISO, must design its transmission revenue requirements and establish a transmission revenue balancing account like any other ISO member).

*California Independent System Operator v. FERC*, D.C. Cir. No. 01-1343 (challenge to Commission order requiring California ISO to comply with earlier creditworthiness order).

*Public Utilities Commission of the State of California v. FERC*, D.C. Cir. No. 02-1108 (review of long-term power purchase agreements filed (or not needed to be filed) under blanket market-based sales tariffs).

*State of California, ex rel. Bill Lockyer, et al. v. FERC*, 9th Cir. Nos. 02-70336, et al. (challenge to orders authorizing intra-corporate reorganization of PG&E).

*Turlock Irrigation District, et al. v. FERC*, D.C. Cir. Nos. 01-1289, et al.

*Public Utilities Commission of the State of California, et al. v. FERC*, 9th Cir. Nos. 01-71051, et al. (over 50 petitions for review of the Commission's 4/26/01, 6/19/01, 7/25/01, and 12/19/01 orders establishing comprehensive market restructuring, monitoring and mitigation of Western energy markets).

*Pacific Gas & Elec. Co., et al. v. FERC*, D.C. Cir. No. 01-1187, et al. (review of transmission revenue requirements of California ISO members that do not own transmission).

As of 5/13/02